

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON: 07.08.2023

PRONOUNCED ON: 20.09.2023

C O R A M

THE HONOURABLE Ms.JUSTICE P.T.ASHA

A.No.2747 of 2023
in
C.S.(Comm.Div).Dr. No.56111 of 2023

A.Arjun

... Applicant / Plaintiff

-Vs.-

Balaji B

.... Respondent / Defendant

PRAYER in A.No.2747 of 2023: This application is filed under XIV Rule 8 and Order III Rule 1 of the O.S.Rules read with Clause 12 of the Letters Patent praying to grant leave of Court to the applicant to sue for the relief against the respondent for infringement of copyright and passing off by the respondent herein before this Court.

PRAYER in C.S.(Comm.Div).Dr. No.56111 of 2023:

a) A permanent injunction restraining the defendant, its directors, all their principal officers, staff, men, agent, servants, successors, assigns in

business, representatives and any other person from passing off his / their goods by using the artistic work used by the plaintiff's prior adopted and used marks or any other word / words/ logo/artistic work / design / device that are identical or deceptively similar to that of the plaintiff's marks, artistic work, and products in respect of garments.

b) A permanent injunction restraining the defendant all his principal officers, staff, men, servants, successors, assigns in business, representatives and any other person from infringing the copyright of the plaintiff by using the artistic work used by the plaintiff's prior adopted and used marks/designs or any other word /words /logo/artistic work/design/device that are identical or deceptively similar to that of the plaintiff's marks, artistic work, and products in respect of garments.

c). That the Defendant be ordered and directed to pay the Plaintiff a sum of Rs. 5,07,000/-(Five Lakhs Seven Thousand Only) by way of damages.

d). A Preliminary Decree be passed in favour of the Plaintiff directing the Defendant to render a true and faithful accounts of all profit made by them, using the Plaintiff's said Copyright and a final decree be passed in favour of the Plaintiff for the amount of profit thus found to

have been made by the Defendant, together with interest, after the Defendant has rendered accounts.

e). That the Defendant be directed to deliver-up to the Plaintiff for destruction, all labels, all other print materials, stickers, signage, visiting cards, letter heads, catalogues, pamphlets, brochures, all other advertising and promotional material, all stationary, and such other material used for Passing Off and violating Plaintiff's Trade Marks and Copyright.

f). For the costs of the suit;

For Plaintiff : Mr.G.Ramesh

For Defendant : Dr.S.S.Swaminathan

Assisted Counsels: Mr.S.R.Sundar
Mr.R.Satish Kumar

JUDGMENT

This application gives rise to only a legal issue, and therefore the facts of the case are set out briefly in the ensuing paragraphs.

2.The applicant/plaintiff has taken out this application, seeking leave of the Court to institute the suit against the respondent for infringement of the copyright and for passing off of the mark.

3.The grounds on which the applicant has taken out this application for leave to sue as set out in the affidavit filed in support of the application is extracted herein below:

“6...the infringing the products are sold in Chennai through various online platforms which is very well situated within the jurisdiction of this Hon'ble High Court. I further state that the leave to sue is required under Clause 12 of Letters Patent Act since the respondent is residing outside the territorial jurisdiction of this Court. Hence, the applicant sought for leave to sue.”

4. Admittedly, both the plaintiff and the defendant are carrying on business in Madurai, and neither the defendant nor the plaintiff has a place of business in Chennai. The suit is instituted on the premise that since the products of the defendant are sold online they can also be accessed within

the jurisdiction of this Court by the consumers placing the order online and this Court therefore is vested with the jurisdiction to entertain this suit.

5. When this application was moved, this Court, by order dated 16.06.2023, had ordered notice to the respondent. The respondent has also entered appearance and filed a counter, in which they have questioned the jurisdiction of this Court on the ground that both the plaintiff and the defendant are carrying on business at Madurai outside the jurisdiction of this Court, and the sales that have been referred to in the plaint are all trap sales which have been made by their friends and relatives to give rise to a cause of action for conferring jurisdiction on this Court. The respondent has also stated that the products are sold through Amazon and other leading portals to customers who are situated throughout India. Therefore, there was no justification for filing the suit before this court.

6. When the matter had come up for arguments, this Court had called upon the learned counsel for the applicant to establish as to how the suit was maintainable before this Court, when even according to their pleading the cause of action has arisen not only at Chennai but also at the principal place of business of the plaintiff (Madurai) and other places where the goods are being purchased online in the light of the judgment of the Hon'ble Supreme Court reported in **2015 10 SCC 161 [Indian Performing Rights Society Ltd. Vs. Sanjay Dalia and Another]** hereinafter referred to as **Sanjay Dalia's** case.

7. The learned counsel for the applicant had submitted that the aforesaid judgment would not have a bearing on the case on hand, since this suit is instituted invoking Clause 12 of the Letters Patent and in the judgment referred to supra, the learned Judges were considering jurisdiction of the Courts as provided under Section 20 of the Civil Procedure Code read with Section 134 (2) of the Trade Marks Act. Therefore, this Court had invited the arguments not only from the learned

counsel to the *lis* but also from other counsels to answer as to whether the judgment of ***Sanjay Dalia*** would be applicable to the case on hand instituted on the file of this Court seeking leave under Clause 12 of the Letters Patent as part cause of action has arisen within the jurisdiction of this Court although cause of action has also arisen at Madurai their principal place of business?

8. The arguments of the respective counsels are set out in a concise form herein below:

(A) Mr.G.Ramesh, learned counsel for the applicant / plaintiff.

a) The provisions of Section 20 of the code of Civil Procedure stands excluded in the light of the provisions of section 120 and Order 49 Rules 2 and 3 of the Code of Civil Procedure.

b) The provisions of the Letters Patent alone would be applicable to this Court.

(ii) To buttress this argument, he would rely on the judgment reported in (i) **2017 (2) LW 507 [Hindustan Unilever Ltd V. Andhra Detergents MAC Marketing]** where this Court had held that Section 20 of C.P.C has no application to a suit on infringement in the light of Section 120 C.P.C which expressly bars the provisions of Sections 16, 17 and 20 C.P.C to the High Court exercising Original Civil Jurisdiction;

(ii) **2021 SCC online Del 3625 [V.Guard Industries Ltd V.Sukan Raj Jain and another]; and**

(iii) He would attempt to state that the judgment in **Sanjay Dalia's** case will not be applicable to the instant case as that judgment was based on cause of action as contemplated under Section 20 of the C.P.C and the Apex Court has not considered clause 12 of the Letters Patent.

(B) Mr.S.S.Swaminathan, learned counsel for the
respondent/defendant:

He would solely rely on the judgment in **Sanjay Dalia's** case and submit that this Court has no jurisdiction to entertain the suit.

(C) Mr.R.Sathish Kumar, learned counsel who assisted the Court:

(a) The jurisdiction of regular Courts are determined by the provisions of Section 20 of the C.P.C but in the case of this Court exercising original jurisdiction the provisions of Clause 12 of Letters Patent alone is applicable in the following manner:

(i) in case of suits for land, the immovable property must be situate within the jurisdiction of this Court.

(ii) where the defendant at the time of commencement of the suit resides, carries on business or personally works for gain.

(iii) in all other cases when the cause of action wholly arises within the jurisdiction of this court and after obtaining leave of the Court in cases where a part cause of action has arisen within the jurisdiction of this Court.

(b) Section 134(2) of the Trade Marks Act and Section 62(2) of the Copyright Act provides for an additional forum i.e, where the plaintiff is

residing / carrying on business / personally works for gain. Therefore when the plaintiff resides within the original jurisdiction of this Court or the cause of action wholly arises within the jurisdiction of this Court no leave is required. Leave is contemplated only when a part cause of action arises within the jurisdiction of this Court and the defendant resides / carries on business / personally works for gain.

(c) *Sanjay Dalia's* case provides that if cause or action arises at a place where the plaintiff resides /carries on business / works for gain, then the jurisdiction is vested only with this Court.

(d) Reliance is placed on the following judgments:

- (i) ***2014 5 LW 673 [M/s.Duro Flex Pvt. Limited V. M/s.Duroflex
Sittings System].***
- (ii) ***2016 SCC Online Del 376 [Ultra Home Construction Pvt. Ltd Vs.
Purushottam Kumar Chaubey and Others] .***

(iii) ***2017 (2) LW 507 [Hindustan Unilever Ltd V. Andhra Detergents***

MAC Marketing)

(iv) ***2021 SCC Online Mad 5428 [Hindustan Unilever Limited Ponds***

House Vs.S.Shanthi]

(v) ***Unreported judgment in A.No.3675 of 2021 in A.No.3675 of 2021***

in C.S(Comm.Div) No.14 of 2021.

(D) Mr.S.R.Sundar, learned counsel who assisted the Court.

(a) Leave to sue is required only in cases where the defendant does not carry on his business / reside / work for gain within the jurisdiction of this Court where part cause of action has arisen. Jurisdiction based on cause of action and jurisdiction based on the defendant's place of residence or business are two independent categories having no relationship with each other.

(b) He would rely on the judgments in ***Wipro Ltd Vs.Oushadha Chandrika Ayurvedic India (P) Ltd (2008 (3) MLJ 1) and Duro Flex***

Pvt. Ltd. vs. Duroflex Sittings System (2014 (5) LW 673) which are prior to the pronouncement of *Sanjay Dalia*.

(c) Post *Sanjay Dalia's* case, he would rely upon the following judgments:

(i) 2017 SCC Online Cal 3709 (Rajat Agarwal and Others Vs Spartan Online Private Limited and Others)

(ii) 2022 SCC Online Mad 461.

(iii) 2023 SCC Online Mad 4033 [Ashique Exports(P) Ltd Vs.Suresh K.K.and Others].

(d) With reference to the term “carries on business”, he would rely upon the judgments set out herein below:

(i) (2006) 9 SCC 41 [Dhodha House Vs.S.K.Maingi],

(ii) 2017 SCC Online Bom 7327 [Harman Overseas and Others Vs. Dongguan TR]

(iii) 2019 SCC Online Mad 30445 [K.T.V.Health Food Private Limited Vs. Sardar Paul Trading] .

(e) The following judgments have been placed for consideration which deal with cause of action and the residence, business place and the place of the person instituting the suit:-

Sl.No.	Citation
1	(2004) 2 MLJ 301 [USV Ltd Vs.Systopic Laboratories Ltd]
2	(2006) 4 MLJ 680 [V.Selladutai Vs.N.Nathaj]
3	(2008) 8 MLJ 597 [Parle Products Pvt.Ltd, Mumbai Vs.Surya Foods and Agro Ltd.
4	(2012) 5 MLJ 276 [U.P.Cricket Association Vs Board for Control of Cricket in India]
5	2016 SCC Online Del 4097 [M/s.Allied Blenders and Distillers Pvt.Ltd Vs.R.K.Distilleries Pvt.]
6	2016 SCC Online Bom 5334 [Manugraph India Limited Vs.Simarq Technologies Pvt. And Other]
7	2022 SCC Online Mad 6811[Tirumalaa Daairy Lintied Vs.Tirumala Milk Products Private Limited

9. DISCUSSIONS:

(i) In order to appreciate the issue involved, it is necessary to first extract the provisions of Section 16 C.P.C, Section 20 C.P.C, Clause 12 of the Letters Patent, Section 134(2) of the Trade Marks Act and Section 62(2) of the Copyright Act.

Section 16 of C.P.C: *Suits to be instituted where subject-matter situate*

*-Subject to the pecuniary or other limitations prescribed by any law,
suits-*

*(a) for the recovery of immovable property with or
without rent or profits,*

(b) for the partition of immovable property,

*(c) for foreclosure, sale or redemption in the case of a
mortgage of or charge upon immovable property,*

*(d) for the determination of any other right to or
interest in immovable property,*

*(e) for compensation for wrong to immovable
property,*

*(f) for the recovery of movable property actually
under distraint or attachment, shall be instituted in
the Court within the local limits of whose jurisdiction
the property is situate :*

*Provided that a suit to obtain relief respecting, or
compensation for wrong to, immovable property held*

by or on behalf of the defendant, may where the relief sought can be entirely obtained through his personal obedience be instituted either in the Court within the local limits of whose jurisdiction the property is situate, or in the Court within the local limits of whose jurisdiction the defendant actually and voluntarily resides, or carries on business, or personally works for gain.

Section 20 of C.P.C *Other suits to be instituted where defendants reside or cause of action arises.*

Subject to the limitations aforesaid, every suit shall be instituted in a Court within the local limits of whose jurisdiction.

(a) the defendant, or each of the defendants where there are more than one, at the time of the commencement of the suit, actually and voluntarily resides, or carries on business, or personally works for gain; or

(b) any of the defendants, where there are more than one, at the time of the commencement of the suit, actually and voluntarily resides, or carries on business, or personally works for gain, provided that in such case either the leave of the Court is given, or the defendants who do not reside, or carry on business, or personally works for gain, as aforesaid, acquiesce in such institution; or

(c) The cause of action, wholly or in part, arises.

Clause 12 of the Letters Patent Act would read as follows:

12. Original Jurisdiction as to Suits: - *And we do further ordain that the said High Court of Judicature at Madras, in exercise of its ordinary original civil jurisdiction, shall be empowered to receive, try and determine suits of every description if, in the case of suits for land or other immovable property shall be situated, or, in all other cases, if the cause of action shall have arisen, either wholly, or, in case the leave of the Court shall have*

been first obtained, in part, within the local limits of the ordinary original jurisdiction of the said High Court, or if the defendant at the time of the commencement of the suit shall dwell or carry on business, or personally work for gain, within such limits; except that the said High Court shall not have such original jurisdiction in cases falling within the jurisdiction of the Small Cause Court at Madras, in which the debt or damage, or value of the property sued for does not exceed one hundred rupees.

Section 134(2) of the Trade Marks Act would read as follows:

“For the purpose of clauses (a) and (b) of subsection (1), a “District Court having jurisdiction” shall, notwithstanding anything contained in the Code of Civil Procedure, 1908 (5 of 1908) or any other law for the time being in force, include a District Court within the local limits of whose jurisdiction, at the time of the institution of the suit or other proceeding, the person instituting the suit

or proceeding, or, where there are more than one such persons any of them, actually and voluntarily resides or carries on business or personally works for gain.

Section 62(2) of the Copyright Act would read as follows:

“ For the purpose of sub-section (1), a "district court having jurisdiction" shall, notwithstanding anything contained in the Code of Civil Procedure, 1908 (5 of 1908) or any other law for the time being in force, include a district court within the local limits of whose jurisdiction, at the time of the institution of the suit or other proceeding, the person instituting the suit or other proceeding or, where there are more than one such persons, any of them actually and voluntarily resides or carries on business or personally works for gain.”

(ii).To entertain a civil action for infringement of a Trade Marks or copyright, jurisdiction is vested with the Civil Courts or the High Court

exercising the original jurisdiction as set out in Section 20 C.P.C in the case of Civil Courts and Clause 12 of the Letters Patent in the case of chartered High Court exercising original jurisdiction and in cases of part cause of action lying within the jurisdiction of the High Court after obtaining prior leave of the High Court or as per the provisions of Section 134(2) of the Trade Marks Act or Section 62(2) of the Copyright Act.

(iii). A comparison of the provisions of Sections 16 and 20 of the Code of Civil Procedure and Clause 12 of the Letters Patent would clearly show that these provisions are more or less similar. Though Section 16 is not applicable to the facts of the instant case, reference is made to it only to show that even this provision is incorporated in Clause 12. However, Section 20(c) of the C.P.C which deals with cause of action is different from the cause of action contemplated under Clause 12 of the Letters Patent. Under Section 20(c), if cause of action arises wholly or in part in a place the Court having jurisdiction over such place is automatically conferred with the jurisdiction to entertain the suit. However, Clause 12

of the Letters Patent marks a change in the case of a part cause of action arising within the jurisdiction of this Court. In such cases, Clause 12 contemplates that the plaintiff should first obtain the leave of the Court to institute the suit.

(iv). Section 62(2) of the Copyright Act and Section 134(2) of the Trade Marks Act signals a deviation from this settled concept of jurisdiction. As per these provisions a suit for infringement can be instituted in the Court having jurisdiction of the place where a plaintiff or if there are many plaintiffs anyone of them resides, carries on business or personally works for gain. This provision is only in addition to the provisions of Section 20 C.P.C and Clause 12 of the Letters Patent. If it is not so then the jurisdiction as contemplated under Section 20 C.P.C and Clause 12 of the Letters Patent would stand ousted. The intention of the legislature for introducing Section 62(2) in the Copyright Act and Section 134(2) of the Trade Marks Act was only to give an additional jurisdiction to the plaintiff for instituting a suit on infringement. Therefore, a plaintiff

who comes to Court alleging infringement can institute the suit invoking anyone of the following jurisdictions:

a) Where the defendant or each of the defendants (if there are more than one) actually resides or carries on business or personally works for gain at the time of commencement of the suit;

b) Where any of the defendants (where there are more than one) at the time of commencement of the suit actually and voluntarily resides, carries on business, or personally works for gain, provided either the leave of the Court is obtained or the defendants who do not reside or carries on business, or personally works for gain acquiesce in the institution of the suit.

c) Where the cause of action wholly or in part arises.

In the case of the Courts governed by Letters Patent then in cases of part cause of action arising with the jurisdiction of the Court then the prior leave to sue of the High Court should be obtained; and

(d) Where the plaintiff at the time of institution of the suit resides carries on business or personally works for gain.

(v). The argument of the applicant is that by reason of Clause 12 of the Letters Patent the judgment of *Sanjay Dalia* cannot be pressed into service. Before proceeding to analyse the judgment in *Sanjay Dalia*, useful reference could be made to these judgments which are prior to the judgment in *Sanjay Dalia*. In the judgment of *Oushadha Chandrika Ayurvedic India (P) Ltd* case, the Division Bench of this Court was considering the rejection of the suit by the Single Judge on the ground that no part of cause of action had arisen within the jurisdiction of this Court and that the defendants were residing outside the jurisdiction of the Court

and no leave to sue under Clause 12 of the Letters Patent had been obtained. The aggrieved plaintiff had filed an appeal. After considering the arguments and the laws cited on the subject, particularly with reference to Section 62(2) of the Copyright Act and Section 134(2) of the Trade Marks Act, the Bench had observed that these provisions were in addition to the provisions set out in Section 20 of the Code of Civil Procedure, and applying Section 134(2) of the Trade Marks Act and Section 62(2) of the Copyright Act, there was no necessity to obtain the leave of the Court under Clause 12 of the Letters Patent in cases where the plaintiff ordinarily resides or carries on business within the jurisdiction of the original side of this court, Likewise, in the case of ***Duro Flex Pvt. Ltd. vs. Duroflex Sitings System [2014 5 LW 673]***, the Full Bench of this Court was considering the issue as to whether the situs of the Trade Marks registry would confer jurisdiction. The bench had raised the following issues for consideration, which are extracted herein.

*(i) Whether the situs of the Trade Mark Registry in
Chennai and the name being on its register would*

itself give rise to cause of action to institute a suit in the Madras High Court?

(ii)Whether the principles of Forum Conveniens or analogous principles apply for consideration of an application for leave to sue under Clause 12 of the Letters Patent in case part of cause of action arises at Chennai? It is the aforesaid two legal questions that have arisen for our consideration.

The Full Bench had answered the issues as follows:

“We thus conclude on this question by observing that the fact that the situs of the registration of Trade Marks is with the Trade Marks Registry at Chennai by itself would not be sufficient to give rise to cause of action to institute the suit in the Madras High Court, though it may be a factor to be taken into account, among the bundle of facts, for purposes of determining the situs of the cause of action. The legal view to the

contrary expressed in the various judgments referred to by the learned counsel for the appellant thus stands over-ruled.”

(vi). With reference to the second issue, *which has relevance to the case at hand*, the Bench, after considering various judgments and rulings, held that though the principle "Forum Conveniens" is not applicable to proceedings before the civil Courts, however this issue plays a role when considering the grant of leave or revocation thereof under Clause 12 of the Letters Patent before the High Court. The balance of convenience is also Forum Conveniens. The test to be applied is appropriateness or suitability of the forum, whether it be called Forum Conveniens or the jurisdiction of the court under Section 20 of the Code of Civil Procedure which is different from Clause 12 of the Letters Patent. The Full Bench concluded that in considering an application for grant of leave or revocation thereof, the appropriateness or suitability of the forum would be material, and to that extent, principles akin to Forum

Conveniens would apply. The Bench had therefore given precedence to Forum Conveniens while considering a leave application under Clause 12 of the Letters Patent.

(vii). Having heard the elaborate arguments of all the counsels, I would endeavour to analyse the observations and dicta laid down by the Hon'ble Supreme Court in the judgment in *Sanjay Dalia* hereunder.

(viii). The judgment in *Sanjay Dalia* came to be pronounced on 07.07.2015. This judgment arose from out of two civil suits instituted in the Delhi High Court. The first was the suit filed for relief against the defendant to prevent the infringement of the rights of the plaintiff without obtaining the license. The plaintiff had alleged that the defendant, who owned cinema halls in Maharashtra and Mumbai, had caused an infringement, and the entire cause of action had arisen in Maharashtra and Mumbai. The second case arose out of the suit filed with respect to the infringement of the Trade Marks. The plaintiff's registered office was at

Bombay. The magazine was processed and published at Bombay, and it was only a private office that was situate at Delhi. Since the private office was situate at Delhi, proceedings for infringement of Trade Marks were initiated in the Courts at Delhi. The contention of the plaintiff was that the magazine was also sold within the jurisdiction of the Court at Delhi.

(ix). In the first case, the Single Judge and the Division Bench of the High Court had upheld the objections of the defendant that the Court at Delhi had no jurisdiction and that it was only the Court at Bombay that was conferred with the jurisdiction. The further facts in that case was that the plaintiff had later moved an application seeking amendment of the plaint under Order 6 Rule 17 of the Code of Civil Procedure so as to indicate how the court at Delhi would have the jurisdiction. The application for amendment was dismissed by the High Court stating that even if this was allowed, amended pleadings would not confer jurisdiction upon the Court, since mere situation of a branch office will not confer jurisdiction and no part of cause of action had arisen there, namely at

Delhi. It was these two appeals that had been carried up in appeal to the Hon'ble Supreme Court.

(x).The argument advanced by one of the counsels for the appellant in that case was that the special right that had been conferred on a plaintiff under the provisions of Section 134(2) of the Trade Marks Act and Section 62(2) of the Copyright Act cannot be whittled down by combining it with the cause of action. It was his submission that Section 134(2) of the Trade Marks Act and Section 62(2) of the Copyright Act have no co-relation to the cause of action and suits can be filed where the plaintiff resides or carries on business or personally works for gain.

(xi).After considering the relevant provisions of law and the parliamentary debates preceeding the introduction of Section 62(2) of the Copyright Act and Section 134(2) of the Trade Marks Act, the Hon'ble Supreme Court observed that the accural of a cause of action was a sine qua non for instituting a suit. They went on to observe that after considering the provisions contained in Section 20 C.P.C, Section 62 of

the Copyright Act and Section 134 of the Trade Marks Act and the object with which it is enacted it is clear that if the cause of action has arisen wholly or in part, where the plaintiff is residing or carrying on business or personally working for gain the suit can be filed in such a place. Dehors the fact that no cause of action has arisen at the place where the plaintiff resides or carries on business or personally works for gain, a plaintiff can still invoke the jurisdiction of that Court. However, the learned Judge observed that this right is subject to certain restrictions and held as follows:

“18.....such as in case plaintiff is residing or carrying on business at a particular place/having its head office and at such place cause of action has also arisen wholly or in part, plaintiff cannot ignore such a place under the guise that he is carrying on business at other far flung places also. The very intendment of the insertion of provision in the [Copyright Act](#) and [Trade Marks Act](#) is the convenience of the plaintiff. The rule of convenience of the parties has been given a statutory expression in section 20 of the CPC as well. The

interpretation of provisions has to be such which prevents the mischief of causing inconvenience to parties.”

(xii). While discussing the intendment of the provisions of the two sections, section 62(2) of the Copyright Act and Section 134(2) of the Trade Marks Act in paragraph 19 of the learned Judges has further held as follows:

“19... The provisions of [section 62](#) of the Copyright Act and [section 134](#) of the Trade Marks Act never intended to operate in the field where the plaintiff is having its principal place of business at a particular place and the cause of action has also arisen at that place so as to enable it to file a suit at a distant place where its subordinate office is situated though at such place no cause of action has arisen. Such interpretation would cause great harm and would be juxtaposed to the very legislative intendment of the provisions so enacted.”

(xiii) The learned Judges observed that the provisions of Section 20 C.P.C would not apply in case the suits are instituted invoking the jurisdiction under Section 134(2) and Section 62(2) of the respective Acts. However if the cause of action also arises where the plaintiff resides or carries on business or personally works for gain then the suit can only be instituted in that place and no where else.

(xiv). The Bench had further discussed that Section 134(2) of the Trade Marks Act and Section 62(2) of the Copyright Act cannot be interpreted in a manner that it authorises the plaintiff to institute the suit in a totally unconnected jurisdiction only on the basis that they have a subordinate office there. The learned Judges had discussed how the provisions of Section 134(2) of the Trade Marks Act and Section 62(2) of the Copyright Act could be abused by Corporations and big conglomerates who would have several subordinate offices through the Country. The Bench had given the following example:

“26....There may be a case where plaintiff is carrying

on the business at Mumbai and cause of action has arisen in Mumbai. Plaintiff is having branch offices at Kanyakumari and also at Port Blair, if interpretation suggested by appellants is acceptable, mischief may be caused by such plaintiff to drag a defendant to Port Blair or Kanyakumari. The provisions cannot be interpreted in the said manner devoid of the object of the Act.”

The learned Judges observed that these provisions of law was never intended to be oppressive to the defendant.

(xv). The learned Judges had also taken note of the judgment in **2008 SCC Online Mad 172 [Wipro Ltd Vs.Oushadha Chandrika Ayurvedic India (P) Ltd]** which is discussed in para (v) supra and held that Section 20 C.P.C is not applicable to the High Court at Madras as it is governed by the Letters Patent and that the scope of Section 62 of the Copyright Act and Section 134 of the Trade Marks Act cannot be curtailed by Section 20, C.P.C and Clause 12 of the Letters Patent. After

discussing the judgments cited across the Bar particularly the argument regarding Clause 12 of the Letters Patent, the learned Judges ultimately held as follows:

52. In our opinion, the provisions of [section 62](#) of the Copyright Act and [section 134](#) of the Trade Marks Act have to be interpreted in the purposive manner. No doubt about it that a suit can be filed by the plaintiff at a place where he is residing or carrying on business or personally works for gain. He need not travel to file a suit to a place where defendant is residing or cause of action wholly or in part arises. However, if the plaintiff is residing or carrying on business etc. at a place where cause of action, wholly or in part, has also arisen, he has to file a suit at that place, as discussed above.”

(xvi). Therefore from the elaborate discussion of the ***Sanjay Dalia*** case regarding cause of action and Section 134(2) of the Trade Marks Act

and Section 62(2) of the Copyright Act the following principles for different situations emerge:

a) The provisions of Section 134(2) and Section 62(2) of the respective Acts are in addition and not a substitution of the provisions of Section 20 C.P.C and Clause 12 of the Letters Patent;

b) Where the plaintiff has only one place of business but the cause of action arises elsewhere the suit can be instituted at the place of business also invoking Section 134(2) of Trade Marks Act or Section 62(2) of the Copyright Act.

c) The plaintiff has a principal place of business and branch offices and the cause of action arises at the principal place of business the suit has to be filed at the place of principal office;

d) Where the plaintiff has a principal place of business and a subordinate office and the cause of action

arises only at the place of the subordinate office then suit can be filed at the place of the subordinate office;

e) Where cause of action arises at some other place other than the place where the plaintiff has his principal place of business or subordinate office then the suit can be filed at that place where the cause of action arose invoking the provisions of Section 20 C.P.C. However, the plaintiff can also invoke the provisions of Section 134(2) of the Trade Marks Act or Section 62(2) of the Copyright Act and file the suit at their principal place of business.

f) Where the cause of action arises both at the principal place of business and also at the place of the subordinate offices then the suit can be instituted only at the place where the plaintiff has his principal place of business;

(xvii) In the light of the above discussions, the argument put forward by the learned counsel for the applicant / plaintiff that, in the light

of this Court being governed by the Letters Patent, the judgment of ***Sanjay Dalia*** would have no application cannot be countenanced for the reason that the Hon'ble Supreme Court in ***Sanjay Dalia*** has considered this point. After discussing the judgment of the Madras High Court reported in ***(2008) 3 MLJ 1 Wipro Ltd Vs.Oushadha Chandrika Ayurvedic India (P) Ltd***, the learned Judges has held as follows:-

“47....The facts of the instant cases and the question posed is different which did not come up for consideration in any of the aforesaid decisions rendered by the High Courts and even otherwise any observations in any of aforesaid decisions contrary to our decision cannot hold the field. Interpretation of provisions cannot be so wide so as to open it to be misused, it has to be subject to the object of the Act as explained above.”

(xviii) In the instant case the following facts of the case have to be also considered:

(a) The plaintiff and the defendant are both residing and carrying on business at Madurai.

(b) Both of them do not have a place of business in Chennai.

(c) The infringement is alleged not only in Chennai but also at Madurai where the plaintiff's principal place of business is situate.

(d) The cause of action pleaded are a few trap sales.

(e) The Court has to, in the above circumstance, consider Forum Conveniens as set out in the judgment in ***Duroflex*** supra when considering the leave to sue. Forum Conveniens in the instant is only Madurai where the cause of action has arisen and both the plaintiff and the defendant reside, carry on business and personally work for gain.

(xix). Therefore, considering the above facts and applying the ratio laid down in the judgment in ***Sanjay Dalia***'s case the suit cannot be

entertained by this Court. Hence, the application seeking leave to sue is dismissed. No Costs. Consequently, the suit is returned for presentation before the proper forum.

20.09.2023

Index : Yes/No

Speaking order/non-speaking order

srn

A.No.2747 of 2023 in
C.S.(Comm.Div).Dr. No.56111 of 2023

P.T.ASHA, J.,
srn

Pre-delivery Judgment in
A.No.2747 of 2023
in
C.S.(Comm.Div).Dr. No.56111 of 2023

20.09.2023